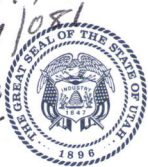


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*5/027/085



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Jack Roberts
340 South Main Street
P.O. Box 356
Fillmore, Utah 84631

Subject: **Second Notice - Delinquent Permit Fees, Further Mining is
Suspended - Enforcement Rules in Effect, Minerals Regulatory
Program**

Dear Mr. Roberts:

Our records indicate that we have not received your annual permit fee payment(s) for the 2004 fiscal year, which was due on or before July 30, 2004 (see R647-2-101.6, R647-3-1-1.7, and R647-4-101.5). Non-payment of permit fees suspends an operator's authorization to conduct exploration or mining operations until the permit fees have been received by this office. **THEREFORE, YOUR AUTHORIZATION TO CONDUCT EXPLORATION OR MINING ACTIVITIES IS HEREBY SUSPENDED, UNTIL THIS BILLING REQUIREMENT IS RESOLVED.** Please note that the payment of permit fees is required until the site has been formally released by the division.

You have previously been informed that effective June 1, 2004, Inspection and Enforcement Rules were implemented in the Minerals Regulatory Program, per a 2002 Legislative mandate. Before fully enforcing the rule for non payment of permit fees at this time, the Division will allow you until August 31, 2004 to pay the delinquent permit fees. **If the delinquent permit fees are not received before August 31, 2004, the Enforcement Rules will be imposed and you will be issued a Notice of Violation and a fine could be assessed.** If you are found mining at your site before the fee is paid, another Notice of Violation would be issued and a fine will be imposed. Please be advised that fines are assessed for each separate violation.

We have enclosed a "Delinquency Notice" along with this letter. Please return the bottom portion with your fee payment to ensure the money is posted to

To Whom it may Concern:
You have a business

partner the Federal Gov.
you need to get in touch with and send
them this (these) Bill. They took these
claimes from me and allowed other

August 10, 2004

claime jumpers to take
these claimes. They informed
me I don't control or have rights to these claimes
over two (2)
years ago.

Don't Harrass me any further.

IF you
Think somebody
owes you
money then
Bill the
BLM or
The people
that operate
These claimes.

I have'nt
Touched these claimes with more than a hammer and chisel.
Utah!

Jack Roberts

RECEIVED

AUG 27 2004

DEPT OF OIL GAS & MINING

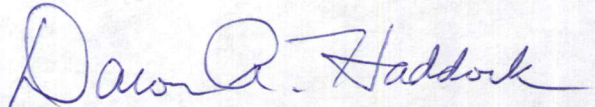
Page 2 of 2
Second Notice
2004-2005 Permit Fees
August 10, 2004

the correct account. Operations may resume upon our receipt of the required fees.
If you have already sent in your payment, please accept our thanks and disregard this notice.

We hope to avoid taking any enforcement action regarding the fee payments. Please: 1) submit your payment by August 31, 2004; 2) check the box, **if the site is fully reclaimed and revegetated**; thereby requesting a site inspection; or 3) contact us immediately.

If you have any questions regarding this letter, please contact me at (801) 538-5325 or Joelle Burns at 538-5291. Your immediate attention to this matter is imperative.

Sincerely,

A handwritten signature in blue ink that reads "Daron R. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent.

Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:jb
Enclosure: Delinquency Notice
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